

COMMITTEE ON FINANCE

November 7, 2001

Upon Recess of BMA

Mayor Baines called the meeting to order.

The Clerk called the roll. There were eleven Aldermen present.

Present: Aldermen Wihby, Levasseur, Sysyn, Pinard, O'Neil, Lopez, Shea, Vaillancourt, Cashin, Thibault, Hirschmann.

Absent: Aldermen Gatsas and Pariseau.

Messrs.: Steve Tellier, Ron Chapman

TABLED ITEM

On motion of Alderman Shea, duly seconded by Alderman Thibault it was voted to remove the following item from the table for discussion. Aldermen Wihby and Levasseur were duly recorded in opposition.

3. 2002 CIP Budget Authorization:
810802 Revaluation Project Phase II & III
(Tabled on 10/16/01)
(Note: communication from Boards of Assessors dated 10/30/01 attached.)

Alderman Vaillancourt asked for an explanation.

Mayor Baines asked Carol please advise the Chair.

Deputy Clerk Johnson stated the motion carried to take it off the table. The item before you is item 3. There was a communication that had come in from the Board of Assessors which is also attached to the agenda relating to this item.

Mayor Baines stated this is to pay the bill, right. Mr. Tellier, please come up and explain.

Mr. Tellier stated I did submit a communication on behalf of our Board that the revaluation firm of CLT has completed the vast majority of their contractual obligations with the exception of a few housekeeping issues that still remain; that being some additional supportive spreadsheets, digital images and assisting us in filling in the comparative module and sales issues, but for the most part these are very small housekeeping issues. We anticipate locking up the system tomorrow and then in subsequent days use to fill in the MS1 which is necessary to set the tax rate. We anticipate the rate possibly being set somewhere on or about the 15th of November.

Alderman O'Neil stated I think this is something you and I discussed and I just want to make sure I'm clear on it. I heard from a number of people that got a second notice from CLT with a higher value on it and I believe the explanation was that once they had all of the hearings they kind of took a look at all the numbers again, is that correct.

Mr. Tellier replied that is correct.

Alderman O'Neil stated it's a fair concern by those people that contacted me that if they would have known there would have been a higher number, if it was 125 the first time...they said you know what, that's my fair share, that's what I'll pay but then later they get something that says it's worth \$175,000 and they said if I would have known that I would have appealed. They still can go through the process of appealing to the Board of Assessors for an abatement.

Mr. Tellier replied absolutely and we've entertained a great deal of phone calls, Alderman, from a number of people who have incurred that hardship. We've spent time with them, a lot of them understand the process. Some felt aggrieved by it and the magnitude of those changes were such that we have entertained some people coming into the office and had a hearing in the office and some are going through the normal appeal process stipulated by statutes. But, they have until... from the date the bills are posted till March of 2002 to appeal and we will absolutely assist them in any way we can to have the information they need to do that.

Alderman O'Neil asked did you expect after that...I wasn't aware of that second notice coming out.

Mr. Tellier stated there were a lot of...the hearings act as an audit as well. There are a great deal of people out there that may have received the benefit of a lower assessment due to data entry error or an error in initial judgment and were keeping silent hoping that it would continue on and when they may have been caught or corrected we definitely heard from them. So, we're working with the public.

Alderman O'Neil stated so you're comfortable that this was part of the normal procedure.

Mr. Tellier replied absolutely.

Alderman Shea stated, Steve, you said there's a few minor items that have to be clarified. Will they work with you to complete this or is your department...

Mr. Tellier replied absolutely. In the text of the letter we've asked that the 90% final payment be paid with the 10% arrearage we're keeping aside until those housekeeping issues...furthermore, we are in receipt of a bond that is part of the contract that continues the bonding through September of 2002.

Alderman Shea asked could you briefly tell people who may not be aware of the appeal process, what they should do...I spoke to someone yesterday and they're not quite sure what they should do.

Mr. Tellier stated there are any number of issues that could come up that would qualify someone for an abatement or a review...anyone can apply for an abatement, however, it is incumbent on any taxpayer to show why they feel that value is incorrect. It could be as simple as a data entry error or perhaps a judgment error where their value is higher than a number of homes of similar size and style in their neighborhood.

Alderman Shea asked so what should they do.

Mr. Tellier replied we have the forms available in our office, we have staff ready and the Board of Assessors is prepared to assist the taxpayers in whatever they need.

Alderman Shea stated they should come down.

Mr. Tellier stated absolutely. Once they receive their bill, they could call, we could send it to them by mail.

Alderman Shea asked and your number is what.

Mr. Tellier replied 624-6520 and we're open from eight to five and we have staff available that can assist them in filling this out.

Alderman Vaillancourt stated to follow up on that line of questioning...if somebody has already been in touch with your office do they have to file this in writing or can they assume that they're going to have the process put forward as a result of being in touch with your office.

Mr. Tellier stated we've received a number of letters that were somewhat unclear as to why they felt that the values incorrect, so what we've done is we've compiled all of those letters and we will be sending them a copy of their letter as well as a form to appeal. Had we accepted that as an appeal it would have been denied as being untimely and we didn't want people to lose their right to appeal, so we have a number of correspondence and different information and just names of people who would like to appeal and we're going to get that information out to them.

Alderman Vaillancourt stated so if anybody has been in touch with me saying that they've talked with you they should now officially file a form on an official request form.

Mr. Tellier replied if they still feel aggrieved and they wish to contest the value that would be the next method, yes.

Alderman Vaillancourt stated to go back to Alderman O'Neil's line of questioning...if someone applied for this through CLT and actually got more than they were assessed with originally they can now apply to you.

Mr. Tellier replied for any number of reasons that is correct. Any taxpayer has the right by statute to appeal their value.

Alderman Vaillancourt stated that seems eminently fair to me. It seems to me that if I'm holding a hand of 16 in blackjack and I take a hit and get 6 and go to 22 I'm over and I say I wish I hadn't taken the hit, now I get a chance to throw that 6 back and hope you'll give a 5 next time.

Mr. Tellier stated that is the way the statutes work.

Alderman Vaillancourt stated finally before I approve this we've talked a lot about the overall terms of the tax base in billions, do you have that 5.2, 5.1, 5.3 billion dollar number to give us at this time.

Mr. Tellier replied we still feel we'll meet the \$5.2. We are locking up the system tomorrow and we expect a final correspondence to come directly to this Board as soon as we have a firm number, but we're still very confident that we will meet our original projection of \$5.2.

Alderman Vaillancourt asked meet or surpass.

Mr. Tellier replied possibly surpass, but we are confident we will meet that number.

Alderman Vaillancourt in reference to the tax number asked are you confident with \$20.39 give or take a nickel.

Mr. Tellier stated to the best of my knowledge I think it was recomputed to be closer to \$23.43.

Mayor Baines interjected we're in the process of dealing with that now. We'll be meeting with the schools tomorrow to try to reconcile some of the issues related to revenues, etc. etc. and we hope to resolve those tomorrow and then we'll have to come back to the Board.

Alderman Hirschmann in reference to the letter from the Board of Assessors stated the letter was amiss on one point that we brought up at the last meeting... corrections to the commercial base...there are millions of dollars that was talked about...undervalued on commercial, we didn't receive a report of those corrections. Were those corrections made before we make this payment.

Mr. Tellier stated the corrections are coming in in the form of communications from tax reps and owners of commercial properties that they're concerned about the level of their assessment as well. If I could bring your attention back to the fact that we were about 60/40 as far as in our old valuation tax base; that has been preserved as well in the new values it is very close to 60/40 again. So, they received...even though there is only 4,500 commercial accounts, non-residential accounts in the City they still went up equal to the residential side.

Alderman Hirschmann stated my question is after the revaluation was completed by CLT didn't your Board feel that there were some commercial properties undervalued and you were going to go correct them.

Mr. Tellier replied no, what we felt is that we were looking at all values...not just targeting commercial but the entire tax base.

Alderman Hirschmann asked did you go back and make some corrections.

Mr. Tellier replied yes we did and I do have that on disk that I can share with you at any time.

Alderman Hirschmann stated the whole Board should get a report of the undervalued commercial properties and what the corrections the Board of Assessors make.

Mr. Tellier stated it wasn't the Board of Assessors, it was the revaluation firm that made additional corrections.

Mayor Baines asked can we get a summary.

Mr. Tellier stated yes.

Alderman Thibault stated in all fairness to the Assessors, I probably had 15 or 20 major requests from the people in my ward and I contacted the Assessors and they took care of all them without them having to go through major appeals and all that, they looked at the problems and they took care of them, the people were all satisfied, so this tells me that the Assessors are more than doing their job in taking care of all of the complaints that we are getting out there, so I am very thankful for that, Steve.

Alderman Levasseur stated I would like to say the same thing about that Mr. Tellier you have done a fantastic job with phone calls, getting back to people and everyone that I have had call you has been very satisfied with you personally and with the Assessors office, which is why we shouldn't have paid those guys any money to do the job in the first place, because you guys do such a good job on your own. To get back to my esteemed colleague on my right, Alderman O'Neil, his question I think was more towards I think people who actually went originally to appeal then got bills that were actually higher than the original assessments and I don't think that anybody who thought they were trying to trick the system would have went to appeal their properties if they thought they were getting some sort of an advantage. I think a lot of people felt that they were too high, and when they went there they got bills for \$15,000 more, one person got one for \$40,000 more, so I think that was what.

Alderman O'Neil stated actually what my comment was that people received a value of say \$125,000. They thought that was fair, did not appeal the first time, then they got hit with the new, that was my comment.

Alderman Levasseur stated he had people that went there and appealed and then still got hit higher anyway.

Mayor Baines stated just a clarification on that so what you responded to as I recall they can now go through the regular appeal process.

Mr. Tellier stated that's correct.

Alderman Levasseur stated I've been hearing different details and I was trying to find it in the record, but when you first came to this Board for revaluation, you actually made a recommendation for a different group of people to do the revaluation, is that correct.

Mr. Tellier responded that's correct.

Alderman Levasseur stated and you were turned down by the Board, they went with the cheaper.

Mr. Tellier responded that's correct.

Alderman Levasseur stated and this is what we ended up with was CLT.

Mr. Tellier responded that's correct.

Alderman Levasseur stated one more question, your honor, we are talking about, I thought the number 5.2, I had actually heard that it was actually somewhere close to 5.3, but now you are telling us it is going to be 5.2.

Mr. Tellier stated that is correct as well.

Alderman Levasseur stated, your honor, you talk about the school issues tomorrow's the big, you are going to meet with them so we can clarify this number, I'm hearing rumors of numbers now about the school revenues. Do you actually know what that number is as far as what their deficit is or.

Mayor Baines stated no, we are going to meet tomorrow to clarify the numbers that's all I can tell you.

Alderman Levasseur stated is it somewhere around a half million that there is a problem with.

Mayor Baines stated we don't know if there is a problem, at this point in time, we are sitting down tomorrow with the schools and the finance side to clarify. Mayor Baines asked if Mr. Clougherty wished to comment.

Mr. Clougherty stated I just point out that we just got the school's MS form this morning and we are trying to reconcile them to the budget all those documents and we will be meeting with them tomorrow with some questions and hopefully we can get that resolved and go ahead and meet the schedule that Steve talked about this morning.

Alderman Levasseur asked what's on that document right now.

Mr. Clougherty stated the document they have for their revenue is about 1.4 million less than the budget that the aldermen had.

Mayor Baines stated we have not sat down with them, that's what we are doing tomorrow. We just got it today.

Alderman Levasseur stated so you think that by sitting down with them they are going to give you a different piece of paper.

Mayor Baines stated may be we don't have the accurate information, let's just hold, I don't know what the outcome of the meeting's going to be, we haven't sat down with the parties involved yet.

Mr. Clougherty stated if for some reason the number is a problem we have to come back to the Board.

Mayor Baines stated if there is a problem we'll come back to the Board.

Alderman Levasseur stated and would that effect the rate, quite a bit wouldn't it.

Mayor Baines stated I'm not ready to say we have to do anything yet because we haven't sat down with the parties. We got the information. I met with the Finance Officer today, we gave the information to the schools, tomorrow we sit down.

Alderman Levasseur stated I don't understand what the problem is, I'm asking a question, if it's 1.4 million dollars less than we expected your honor, they wouldn't send you a piece of paper knowing that this Board is not going to be too happy about it, if they didn't think they were 1.4 million short. It's like in twelve hours we are going to find 1.4 million. This is a pretty serious issue.

Mayor Baines stated I think I've already responded.

Alderman Levasseur stated yes you responded but you keep saying we are going to wait until tomorrow, you must have said to yourself, well 1.4 million lower.

Mayor Baines stated I said a lot of things to myself today.

Alderman Levasseur stated I don't understand why you have to have this attitude with us this is a very serious issue here.

Mayor Baines concurred that it was extremely serious, he met with Finance early this morning and talked about it, and communicated information to the schools and we are bringing people together to talk about it and when its resolved we will communicate back to the full Board as we always do.

Alderman Levasseur stated he would have liked to have been informed about this prior to the meeting.

Mr. Clougherty stated in fairness alderman we just found out about it about 11:00 this morning and wanted to be sure we brought it up tonight.

Alderman Shea asked for a point of order.

Alderman Levasseur stated when you had an issue Mr. Clougherty where the school department has brought you a number and it was shallow by one million or so and it's happened many times, have you gone the next day and it's changed dramatically. Do you expect something here.

Mr. Clougherty stated let me explain the timing of it alderman. I hope that we can resolve this, but if for some reason it's the School Board's decision that they want to insist on that number then we will have to come back to the Board because you're right that is a serious discrepancy. But between the time that MS forms were filled out earlier this month and the time that we received them this morning, we have had meetings with the school's auditor and there were items that were reconciled that would hopefully contribute to minimizing that number. And until

we sit with their auditor tomorrow, he was out in Keene today, he wasn't available, we just can't give you a definitive answer, we hope that the meeting tomorrow is fruitful and that we end up getting the number clarified but if it isn't we will be back to this Board.

Alderman Levasseur responded thank you noting he was glad the charter amendment passed.

Alderman Shea stated Mr. Chapman from the school department is here and I'm not sure if he could add anything.

Mayor Baines stated that's it, that's all there is too it. We are meeting tomorrow. We will report back to the Board. Mayor Baines asked Mr. Chapman if there was anything else he wished to add to that.

Alderman Levasseur asked if it were a chargeback issue.

Mayor Baines responded no.

Mayor Baines asked Mr. Chapman if he wished to anything, yes or no.

Mr. Chapman stated I think the only...

Mayor Baines stated your answer is yes, please come to the microphone.

Mr. Chapman stated I believe that tomorrow will be a point of clarification with regards to which budget number we are talking about, and I think that the School District, basically when we presented our budget we gave you a revenue back in May to all of the Board members. And there is a difference now between our number and what the city has and that is the reason for the meeting tomorrow. I think that that's as far as I want to get into it. It think we will resolve it tomorrow probably to some extent, and we will come back with an answer.

Mayor Baines concurred stating the auditor was coming, the finance officer would be there, he would be there and they will report back to the Board.

Alderman Wihby asked back in May you came up with a number, are you saying that you are not going to make that number, with these new numbers you are sending in or you just want to go back to your old number because that was your number back in May.

Mr. Chapman stated the number that we gave in May.

Alderman Wihby stated is the number you are using now.

Mr. Chapman stated that the number that we gave back in May has been adjusted. The Board of School Committee gave to the aldermen with our budget back in May has been adjusted by about \$450,000 on the tuition side. It wasn't until today that we found out, or that I found out that we had a different number somewhere on the city side. So that is why we are going to meet tomorrow and find out how a number different than our number that we presented was put there.

Alderman Wihby stated so in June when the budget passed you had no idea what the revenue number was, is that what you are telling me.

Mr. Chapman stated we knew what we presented to the Board of Mayor and Aldermen.

Alderman Wihby stated you didn't know what this board used for revenue for the school in June when the budget was passed.

Mr. Chapman responded that's right. That's what I am telling you.

Alderman Wihby stated you sat here and went through our number, and we gave you a number and you are telling me that nobody knew since June what number the aldermen used for school revenue.

Mr. Chapman stated we assumed that the School revenue numbers that we presented to the aldermen were the numbers used.

Alderman Wihby asked if they could have school come to the next meeting so he could pull all of the minutes of the meetings. So we can verify that and I want the minutes of this comment that they didn't know until just recently that when the budget passed what the numbers were.

Alderman Wihby stated further you only found out this morning. Was it so that it would not come up before the Charter question.

Mr. Chapman replied I did not find out we had an issue until 11:30 this afternoon when we had an Email and we responded to the Email.

Alderman Levasseur asked who was the Email from.

Mayor Baines stated as soon as I got the information we had the information transmitted immediately to the District.

Alderman Wihby asked how did you find the information...who told you.

Mayor Baines replied it was from my office.

Mr. Chapman stated it came from City Hall.

Alderman Wihby asked so City Hall told you that the number was different and you did not know about it until this morning.

Mr. Chapman replied that is right.

Alderman Wihby asked and how did City Hall find out what number you were using compared to what we were using...because you did your MS form and you waited until after the election to see if the question passed before you did the MS form. You just happened to do the MS form after the election.

Mayor Baines stated keep in mind, Mr. Chapman is the Business Administrator of the District.

Alderman Wihby asked does he not sign off on the MS form.

Mr. Chapman replied in the negative and stated I prepare the MS form, the Finance Committee signed off on the MS form.

Alderman Wihby asked when did they sign off on the MS form.

Mr. Chapman replied October 11th and it was submitted to DRA shortly thereafter.

Alderman Wihby asked and nobody told our Finance Department what the MS form said so we just find out this morning after you know in October that it is a million and a half difference. Your Honor, you better stay on top of this because this is another million and a half that we are looking at that just does not go away. You know what happens on the City side when we are a million and a half in revenues, Your Honor.

Mayor Baines replied we cut back on spending. That is what I said to the Superintendent his morning.

Alderman Levasseur stated I was here a couple months ago and there was a motion to bring a vote of no confidence against Mr. Tanguay and I voted against that. But I will say, Your Honor, that I would be leaning more towards that vote because if this number is what I think it is and again they have played the old “nut shell game” with us, Your Honor, that I would be more in favor of leaning towards that. I think this is just becoming outrageous over here.

Mayor Baines stated I will certainly report back to you after I meet with them tomorrow.

Alderman Vaillancourt stated I want to congratulate Alderman Levasseur, had he not started this line of questioning which you seem to quiver with his right to start then Alderman Wihby would have never been able to continue the line of questioning which brought out this rather explosive development that seems to me the media will appreciate being here tonight rather than getting out tomorrow. It also seems to be terribly convenient that this comes out the day after the election and of course the citizens of Manchester yesterday did vote by a margin of 11,593 to 7,553 to pass the Charter Amendment. We can only be leading ourselves to believe that this was delayed a day to try to deflate the “NO” on that number. Is there any truth to that.

Alderman Levasseur stated they are never going to admit to that. So was the number for the revaluation.

Mayor Baines stated Mr. Clougherty brought this to my attention at 11:00 this morning...we will get the information back to the Board...I had this conversation a lot of the same things that was said this evening, I said to the Superintendent in my office today. I asked the same questions about the information...why there was a problem with it and the result of that is the meeting tomorrow.

Mayor Baines continued by the way Mr. Chapman’s wife had surgery today and we wish her a speedy recovery. He is here today and I would like to get him back home as quickly as possible.

Mr. Chapman stated the number that we presented to this Board in May for revenues has only been changed by \$455,000. That is the number we have stuck with right along and that is related to the tuition reduction we see. Other than that, we did not change any numbers, we did not add any numbers, we did not subtract any numbers. The issue is, we were not aware of what the number was on the revenue side for this budget. With regards to when was this information released...the information went to our Finance Committee, was part of public record with regards to the School Committee, was passed on after that meeting

back in October. So this is not all of a sudden this came up today. The only issue today was that we gave the information to City Finance today for the MS-25 and the MS-24 so they could do the tax rate setting. That is when it came to "light" that there were dollars that were different between the numbers we thought we had for revenues and the dollars that the City had for revenues. That in a nutshell is where we are...it is not that anybody was hiding anything, we have not changed anything on our side substantially.

Alderman Lopez stated I do not have any questions for Mr. Chapman, I would like to get back to the Board of Assessors and let you have your meeting tomorrow.

Mayor Baines asked any further questions for Mr. Chapman, Alderman Wihby.

Alderman Wihby asked you under estimate revenues, lower your number from what the Aldermen used would that give you a fund balance or reserve next year that you could use towards your deficit which you have to pay for. Is that how it works.

Mr. Chapman replied the only reason that we reduce the tuition line was for \$455,000 was based on credits that I might have to give surrounding towns with regards to current year tuition and we reduced it also \$100,000 so that we would be able to meet the guarantee that we had that we would help to reduce the deficit between 2002 and 2003 by half a million dollars.

Alderman Wihby asked is it true that if you have less revenue this year and you do not cut your budget...so the Aldermen fund an extra million and a half...that next year you can just say "well we have more fund reserve, fund balance, and put that towards the deficit." So you are actually, really paying for it this year then making you pay for it next year. Is that what would happen. There are some games being played when you wait until after the election comes out you tell us you file it out in October, you do not tell Finance about it until today and then you tell me that you do not know what your revenues are since the budget was passed in June.

Mr. Chapman replied we knew what our revenues were...

Alderman Wihby stated you knew what our revenues were too. There are plenty of meetings we hear when we gave out numbers you guys sat here you knew what the School revenue number was going to be like. We will get all the documents for the next meeting.

Mr. Chapman stated I would welcome that.

Alderman Cashin asked are you people going to meet tomorrow and work this out.

Mayor Baines replied that is what we are hoping.

Alderman Cashin asked once you meet would you inform this Board as to what the outcome of that meeting is.

Mayor Baines replied that is what we said we would do and that is the way the process is supposed to work and again Mr. Plodzyk and Mr. Clougherty would agree...has been working together and has a good relationship. He is very credible. He was not available today. We were trying to get him over here today to get this reconciled. We are meeting with him tomorrow and as soon as we get the information we will communicate directly back to the Board. We could make a lot of accusations or assumptions...I do not have the answer to those things but we will get the answers tomorrow and we will report it fully back to the Board. I do not know what more we could say. We are not going to solve this issue tonight. We could all make statements about it if you will and that will be fine but we will report back after the meeting tomorrow. That is the way the system works.

Alderman Shea stated I appreciate you coming. I brought you up somewhat and you are a very honorable man, we worked well with you. No one has any complaints concerning you and I thank you for coming. I am sorry that it had to lead to this but you have done a great job, Ron, since you have been...and everyone on this table appreciates your effort because for the most part since you have taken over, things have worked out reasonably well in comparison to your predecessor.

Alderman Vaillancourt asked let's try to get back to the tax rate then if we might. Let's just assume the worst and assume the best. Assume that everything the School Board says they are going to need we have to pay. How much will that end up with the tax rate being more than it is currently. I think you said \$23.43. Under the worst case scenario what would this go to.

Mr. Tellier replied to the best of our calculations every million dollars in cash amounts to almost 20 cents on the rate.

Alderman Vaillancourt asked so we are talking going from \$23.43 to \$23.73.

Mr. Tellier replied we are at a million dollars in round numbers that is what it would be.

Alderman Vaillancourt stated a million and a half dollars.

Mr. Tellier replied then it would be a little more than 20 cents. As I said every million dollars in cash amounts to approximately 20 cents on the rate.

Alderman Vaillancourt stated so \$23.43 plus \$.30 would be \$23.73.

Mayor Baines stated the Assessors do not set the taxes.

Mr. Tellier replied we do not...that is the Department of Revenue Administration.

Alderman Vaillancourt stated but you have expert knowledge as to the mechanism as it “grinds” its way through the process.

Mr. Tellier replied we would allude to our crack Finance Department

Alderman Lopez stated I would like to move that the contract obligations have been met according to the City Assessors and has been turned over to Tom Clark and have not heard anything from the City Solicitor. They have met their obligations therefore we have an obligation to pay and I would like to move it.

Deputy City Clerk Johnson stated Your Honor, the item on the table is for a budget authorization which would allow them to expend the funds. The motion relating to that budget authorization would be to approve the authorization subject to final adoption of related resolutions. Now there is a Bond Resolution that is on the Board’s agenda that relates to this item and until that Bond Resolution is passed the money cannot be expended. The motion would be to approve this subject to final adoption.

On motion of Alderman Lopez, duly seconded by Alderman Thibault, it was voted to approve the budget authorization subject to final adoption.

Alderman Wihby stated Steve, when was the original contract signed and when were they supposed to finish.

Mr. Tellier replied the contract did not address sending out the tax bills but the completion date according to the contract was September 28th.

Alderman Wihby stated so now that is when their completion date was.

Mr. Tellier replied in the affirmative.

Alderman Wihby asked when did they finish.

Mr. Tellier replied completed...that was an amendment subsequent to the hearings.

Alderman Wihby asked when we first signed the contract with them, what was the date.

Mr. Tellier replied August 28th and 30 days later they completed it. They submitted to us all the values in electronic format with a hard copy deliverable products that were contractually obligated as well.

Alderman Wihby asked when was that.

Mr. Tellier replied September 28th.

Alderman Wihby asked why did we give them the extra month was it our fault or their fault, what happened. We asked them to take an extra month.

Mr. Tellier replied we needed that extra month to extend the hearings and to keep the phone lines open as well.

Alderman Wihby stated was the reason because they did not do a good job.

Mr. Tellier replied I think the company aired in the amount of phone lines that they had for the size of this city.

Alderman Wihby stated there is a cost there...to the citizens with the headaches they had to put up with all these problems that you had to do...people are getting back to me...the ones that were upset you guys have handled great and they are satisfied but there is some cost to that. There is some cost to what we put them through, the delay that we had, the interest that we lost on the money that we could have gotten in sooner because we are waiting now until December 15th. There is something to that. Why should we pay them everything that we owe them. I do not think anybody could agree that they did a good job. Now maybe we have corrected everything. I think you guys have corrected everything not them. They threw it on your lap and the last month now you have been scurrying around trying to correct all the mistakes and have done a good job because a lot of people are getting back to me saying they are happy now that they have met with you. But there is a cost there.

Mayor Baines asked has the City Solicitor indicated that there is any reason for us not to meet this obligation, do you feel we need to meet this obligation.

Mr. Arnold replied given the information our office received it appears that the company has met their contractual obligations and are entitled to payment.

On motion of Alderman Sysyn, it was voted to approve the completion of the CIP Revaluation Project Phase II & III.

Alderman Cashin stated I respect the City Solicitors opinion but I agree with Alderman 1.

Deputy City Clerk Johnson took roll call:

Alderman Hirschmann, no; Alderman Wihby, no; Alderman Gatsas, absent; Alderman Levasseur, no; Alderman Sysyn, yes; Alderman Pinard, yes; Alderman O'Neil, yes; Alderman Lopez, yes; Alderman Shea, yes; Alderman Vaillancourt, yes; Alderman Pariseau, absent; Alderman Cashin, no; Alderman Thibault, yes.

Deputy City Clerk Johnson stated I have 7 yeas, Your Honor.

Mayor Baines stated the motion carries. If there is no further business a motion to adjourn the meeting of Finance is in order.

There being no further business to come before the Committee on Finance, on motion of Alderman Pinard, duly seconded by Alderman Thibault, it was voted to adjourn.

A True Record. Attest.

Clerk of Committee